



4004

ANNUAL REPORT

OF

Name: THE FARMERS TELEPHONE COMPANY, LLC

Principal Office: 525 JUNCTION ROAD
P.O. BOX 5158
MADISON, WI 53717
PO Box Zip Code: 53705-0158

For the Year Ended: DECEMBER 31, 2004

TELECOMMUNICATIONS UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
<http://psc.wi.gov>

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

GENERAL RULES FOR REPORTING

1. The annual report due date is April 1 of the following year. (Example: The 2004 report is due April 1, 2005.) If that date falls on a weekend or holiday, the annual report is due the following business day.
2. **Electronic filing via e-mail is required, unless additional provisional confidential treatment is desired.**
Go to the Public Service Commission of Wisconsin's Web Page at <http://psc.wi.gov>, and select the appropriate program for Incumbent Local Exchange Carriers (LECs). If additional confidential treatment is desired, see the Commission's Web Page for filing instructions using the Electronic Regulatory Filing (ERF) System.
3. LEC entities with no revenues for the report year are required to file a LEC annual report.
4. Unless otherwise indicated, the information requested in this report should be taken from the accounts and other records of the utility in conformity with the Uniform System of Accounts prescribed by the Public Service Commission in docket 05-US-116. The definitions and instructions contained therein should also apply to the report wherever applicable. A query or response concerning information contained in this report regarding any practice or transaction should not be construed as indicating conformity to accounting or other pertinent regulations.
5. Please follow all instructions and answer each question fully and accurately. Provide additional information as necessary to avoid misunderstandings or misleading responses. Abbreviations listed on page 6 may be used. However, please show the exact name of the respondent in full on the Identification and Ownership page.
6. Wherever information is requested in a "note," please show that information in the space provided, or make reference to the adjacent page or insert where the note may be found. Please also identify each note. Footnote capability is included in the annual report software program. Please use it where necessary to fully explain particulars in the annual report.
7. Numeric items are limited to digits (0-9). Do not type commas when entering numbers. A minus sign "-" should be entered in the software program to indicate negative values. The program will convert the minus sign to parentheses if a hard copy of the annual report is printed. Negative values may not be allowed for certain entries in the annual report due to restrictions contained in the software program.
8. Report all dollar amounts to the nearest thousand dollars. (Example: \$130,000 should be reported as \$130.)
9. This annual report should be complete in all respects. Unless otherwise authorized, avoid references to returns of former years or to other reports.
10. Wherever schedules call for data from the previous year and such data were reported in the previous annual report, the previous year's data should be reported without modification. If modified, an appropriate footnote indicator and explanation should be included in the current year's annual report.
11. Where part or all of the report is prepared by other than utility personnel, a disclosure is required in the "Individual or firm, if other than utility employee, preparing this report" portion of the Identification and Ownership schedule, which describes the nature and extent of work performed.
12. The LEC annual report program incorporates provisional confidentiality capability for selected items. These items vary from year to year and are based on the Commission's decision regarding confidential items in the annual report.

GENERAL RULES FOR REPORTING

If additional provisional confidential treatment is desired, do not file the annual report electronically using the program's e-mail filing capabilities.

13. It is not necessary to manually or electronically "sign" the signature page. It is not necessary to file a hardcopy of the annual report with the Commission.
14. **Edit Check, Confidential Listing, Exported Annual Report, and Export Status Files; Filing the Completed Report:**

Program edit checks, which are located under the Admin dropdown menu, should be run at the completion of data entry. Each edit problem lists pertinent schedule(s) as well as the nature of the problem (such as "does not equal"). Edit items should be reviewed and corrected; unresolved problems should be footnoted in the report, if necessary. This screen automatically saves the edit checks to an .edt file that may be viewed and edited (for purposes of adding necessary notations) using a word processing package such as WordPad.

The confidential listing, which is located under the Admin dropdown menu, should also be run at the completion of data entry. This will create a .clf file.

Select the annual report to export from the Main-Report Selection window. Click Admin, Export Data to PSC to start the export process. This will create an .mdb file, which will subsequently be encrypted to a file with an .sen extension. An export status file is also created (with a .txt extension). The export status report file may also be viewed in a word processing package such as WordPad. If you encounter any export errors, please contact the Commission for assistance.

The .edt, .clf, .sen, and .txt files will be zipped to a file with a .zip extension. An e-mail message will be created, addressed to pscrcs@psc.state.wi.us. The .zip file is automatically attached to the e-mail message. After the e-mail is created, it will automatically be sent to the Commission.

Once received and processed by the Commission, you will receive a response indicating that your annual report has been received and is being processed. You will be notified if there are any problems with the annual report filing.

15. **Name Changes:**

If a name change (e.g., the new name, the date of the change, and the affected entities with their respective four-digit Commission identification numbers) is identified in the report, documents from the State of Wisconsin Department of Financial Institutions (DFI) also must be submitted to the Commission:

A domestic corporation should send a copy of the stamped page from its Articles of Amendment as filed with DFI. A foreign corporation should send a copy of their Amended Certificate of Authority as issued by DFI. *These documents can be obtained by:*

1. Calling DFI at (608) 261-7577;
2. Contacting DFI on the web at <http://www.wdfl.org>; or
3. By writing to DFI at P.O. Box 7846, Madison, WI 53707-7846.

A name change is not effective in the Commission's records until a separate notification letter is sent to the Commission including documentation to confirm registration of that change with the State of Wisconsin Department of Financial Institutions.

GENERAL RULES FOR REPORTING

16. Changes to the Annual Report Subsequent to Filing:

If making revisions to the report subsequent to an electronic filing (i.e., using the program's e-mail capabilities) with the Commission, resubmit the report via e-mail following the procedures set forth above in item number 14. New edit check, confidential listing, exported annual report, and export status files should be created as a result of the revisions. Revisions to an annual report previously filed on a manual basis (i.e., using the Commission's ERF system) also require a new complete manual filing.

SIGNATURE PAGE

I John R. Erpenbach of
(Person responsible for accounts)

THE FARMERS TELEPHONE COMPANY, LLC , certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

John R. Erpenbach 04/22/2005
(Person responsible for accounts) (Date)

Accounting Manager
(Title)

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ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Access Line	Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency transmission, and/or time slot transmission. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice channel or a 64 kilobits per second digital channel.
Analog Signal	A signal that varies in a continuous manner such as voice or music. An analog signal must be contrasted with a digital signal which can assume only discrete values.
Cellular System	A high capacity land mobile radio system in which an assigned frequency spectrum is divided into discrete channels that are assigned to a cellular geographic serving area.
Central Office	A switching unit in a telephone system providing service to the general public, having the necessary equipment and operating arrangements for terminating and interconnecting lines and trunks.
Centrex	A service for customers with many stations that permits station-to-station dialing, one listed directory number for the customer, direct inward dialing to a particular station and station identification on outgoing calls. The switching functions are performed in a central office (stand alone, host or remote).
Channel	An electrical communications path between two or more points. A single pair of wires may provide more than one channel. A channel may also be provided by microwave.
Customer	A person who uses a telephone as a subscriber.
Digital Signal	A signal that has a limited number of discrete states. This may be contrasted with an analog signal that varies in a continuous manner and may have an infinite number of states.
Equal Access	The ability of the subscriber to use any long distance service by dialing the same number of digits.
Exchange	A defined area served by one or more central offices regardless of technical serving arrangements within which the company furnishes service at rates and rules prescribed for that area in the company's filed tariffs. The area is not necessarily marked by political boundaries or the location of host or remote switching units.
Extended Area Service (EAS)	The ability of a customer to call customers in other exchanges at no additional charge or at an additional charge per tariff.
Extended Community Calling (ECC)	The ability of a customer to call customers in other exchanges at rates usually above EAS rates but below toll rates for comparable distances. Rates generally include a duration element.
Feature Group A	Line-side originating and terminating LATA access for which an originating subscriber dials an assigned telephone number that connects to a specific interexchange carrier (IC). The IC returns a tone to signal the caller to input additional generated digits of the called number.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Feature Group B	Trunk-side originating and terminating LATA access for which an originating subscriber dials a 950-WXXX number (where W=0, 1 and XXX is the carrier access code (CAC)), which is translated to a specific XXX carrier trunk group. Optional rotary dial service and ANI may be available.
Feature Group C	Trunk-side LATA access for AT&T-Communications generally on a direct basis between each end office (EO) and an AT&T-C switching system.
Feature Group D	Also referred to as equal access. It is trunk-side LATA access affording call supervision of an interexchange carrier, a uniform access code (10XXXXX), optional calling party identification, recording of access-charge billing details and presubscription to a customer specified interexchange carrier.
FX-IN	A nonswitched service where the customer of the company is connected to and receives switching service through central office equipment located in another exchange area.
FX-OUT	A switched service where facilities are provided from the central office out to the exchange boundary where it meets the line from a foreign exchange subscriber.
Host Switching System	A switching system that provides centralized control over most of the switching functions of one or more remote switching units. The host switching system usually provides trunk access to the operating company intraLATA networks.
Local Access Transport Area (LATA)	A geographic area within which an operating company may offer its telecommunications services.
Mobile Telephone	A service which provides radio telephone communication from a mobile vehicle to another vehicle or to a regular telephone.
Paging	A service which provides one-way signal or voice communication over a radio channel to a miniature receiver carried by the customer.
Pair	Two wires of a single circuit.
Pay Station	A telephone which normally requires all users to deposit one or more coins or use a credit card to complete a call.
Private Line Service	Channel or circuit rented for private use and not intended to be connected to the general distribution system.
Private Branch Exchange (PBX)	A manually, or operator controlled switching system, usually on the customer's premises, which serves that customer's telephones over a common group of lines from the central office.
Radio Common Carrier (RCC)	A company which furnishes public telecommunications service using one or more radio channels.
Remote Switching Unit (RSU)	An electronic switching system that is remote from its host or control office. All of the central control equipment for the RSU is located in the host switching system.

ANNUAL TELECOMMUNICATIONS REPORT GLOSSARY OF TERMS

Route Miles	<p>Total number of route miles (to the nearest mile) of operating plant facilities including drop wire in the exchange. One route mile may consist of:</p> <ol style="list-style-type: none">1. One mile of roadway with any combination of outside plant facilities on any number of rights-of-way.2. One mile of a cross country route with any combination of outside plant facilities.3. One mile of point-to-point microwave or radio link.4. One mile of plant on either side of a limited access highway or natural barrier, such as a navigable waterway.5. One mile of joint use line where the utility either owns the facility or leases space.
Stand Alone Switch	<p>A central office switch which has no remote switching units (RSUs) subtending it.</p>
Trunk	<p>A communications path connecting two switching systems in the establishment of an end-to-end connection.</p>
Wide Area Telephone Service (WATS)	<p>Customer leased access line or lines connected to the nationwide network over which an unlimited number of calls can be made for a fixed monthly charge.</p>
Wire Center	<p>The location of one or more local switching systems. A point at which customers' loops converge.</p>

ABBREVIATIONS USED IN ANNUAL REPORTS

Acct	.....	Account
Accum	.....	Accumulated
Acq	.....	Acquisition
Admin	.....	Administrative
Alloc	.....	Allocation
Amort	.....	Amortization
 CO	.....	Central Office
 Depr	.....	Depreciation
 Equip	.....	Equipment
Exp	.....	Expenses
EOY	.....	End of Year
 FOY	.....	First of Year
 Info	.....	Information
ITC	.....	Investment Tax Credit
 Misc	.....	Miscellaneous
 Nonoper	.....	Nonoperating
Nonreg	.....	Nonregulated
 Oper	.....	Operating
Opns	.....	Operations
Orig	.....	Originating
 Prop	.....	Property
 Receiv	.....	Receivable
Reg	.....	Regulated
Rev	.....	Revenues
 Svcs	.....	Services
 Telecom	.....	Telecommunications
Term	.....	Terminating
TPIS	.....	Telecommunications Plant in Service
TPUC	.....	Telecommunications Plant Under Construction
 Uncoll	.....	Uncollectible

IDENTIFICATION AND OWNERSHIP

Exact Utility Name: THE FARMERS TELEPHONE COMPANY, LLC
Utility Location: 525 JUNCTION ROAD
P.O. BOX 5158
MADISON, WI 53717
P.O. BOX ZIP 53705-0158

Utility (or Parent/Holding Company) Web Site Address:

When was utility organized?: 06/21/1898

Report any change in name and the effective date:

Telephone numbers for potential customers to contact company:

Business Customers: (608) 723 - 2181 Ext:

Residential Customers: (608) 723 - 2181 Ext:

Primary Utility Contact (located at utility address)

Name: BRIAN M. GARDNER
Title: GENERAL MANAGER - SALES & SERVICE

Office Address: 140 NORTH MONROE STREET
P.O. BOX 467
LANCASTER, WI 53813-0467

Fax Number: (608) 723 - 2400
Telephone Number: (608) 723 - 3628
Email Address: BRIAN.GARDNER@TDSTELECOM.COM

Officer in charge of correspondence concerning this report

Name: JOHN R. ERPENBACH
Title: ASSISTANT TREASURER

Office Address: 525 JUNCTION ROAD
MADISON, WI 53717

Fax Number: (608) 664 - 4519
Telephone Number: (608) 664 - 4289
Email Address: JOHN.ERPENBACH@TDSTELECOM.COM

Individual or firm, if other than utility employee, preparing this report

Name: JAY G. BRANT
Title: SENIOR ACCOUNTANT
Firm: TDS TELECOM
Office Address: 140 NORTH MONROE STREET
P.O. BOX 467
LANCASTER, WI 53813-0467

Fax Number: (608) 723 - 2310
Telephone Number: (608) 723 - 3629
Email Address: JAY.BRANT@TDSTELECOM.COM

IDENTIFICATION AND OWNERSHIP

Person responsible for financial information contained in report

Name: JAY G. BRANT
Title: SENIOR ACCOUNTANT

Office Address: 140 NORTH MONROE STREET
P.O. BOX 467
LANCASTER, WI 53813-0467

Fax Number: (608) 723 - 2310
Telephone Number: (608) 723 - 3629
Email Address: JAY.BRANT@TDSTELECOM.COM

Person responsible for statistical information contained in report

Name: JAY G. BRANT
Title: SENIOR ACCOUNTANT

Office Address: 140 NORTH MONROE STREET
P.O. BOX 467
LANCASTER, WI 53813-0467

Fax Number: (608) 723 - 2310
Telephone Number: (608) 723 - 3629
Email Address: JAY.BRANT@TDSTELECOM.COM

Contact person for regulatory inquiries and complaints

Name: JEAN M. PAUK
Title: MANAGER - EXTERNAL RELATIONS
Firm: TDS TELECOM
Office Address: 525 JUNCTION ROAD
MADISON, WI 53717

Fax Number: (608) 664 - 4185
Telephone Number: (608) 664 - 4152
Email Address: JEAN.PAUK@TDSTELECOM.COM

List names, addresses, and percent ownership interest held by persons owning 5 percent or more of outstanding voting securities or membership interests. If any stock (or interest) is held by a nominee, give known particulars as to the beneficial owner (See Wis. Stat. § 196.795(1)(c), for definition of beneficial owner).

Name: TDS TELECOMMUNICATIONS CORPORATION
Address: 525 JUNCTION ROAD
MADISON, WI 53717

Percent Interest Held: 100
Beneficial Owner: NONE

IDENTIFICATION AND OWNERSHIP

List companies owned, controlled, or operated and form and extent of such ownership, control or operation.

Company Name:	NONE
Form of Interest:	NONE
Extent Of Interest:	NONE

OFFICERS AND DIRECTORS**Name, Title/Occupation
and Business Address**

Name: DANIEL V. GREGORY Title/Occupation: VICE PRESIDENT Business Address (1): 525 JUNCTION ROAD Business Address (2): Business Address (3): City State, Zip: MADISON, WI 53717	1
<hr/>	
Name: DAVID P. JONES Title/Occupation: SECRETARY/TREASURER Business Address (1): 525 JUNCTION ROAD Business Address (2): Business Address (3): City State, Zip: MADISON, WI 53717	2
<hr/>	
Name: JOHN R. ERPENBACH Title/Occupation: ASSISTANT TREASURER Business Address (1): 525 JUNCTION ROAD Business Address (2): Business Address (3): City State, Zip: MADISON, WI 53717	3
<hr/>	
Name: MICHAEL A. PANDOW Title/Occupation: PRESIDENT Business Address (1): 525 JUNCTION ROAD Business Address (2): Business Address (3): City State, Zip: MADISON, WI 53717	4

INCOME STATEMENT - TOTAL COMPANY

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
Operating Revenues			
Operating Revenues (5000-5300)	5,459	5,351	1
Total Operating Revenues	5,459	5,351	
Operating Expenses			
Plant Specific Operations Expenses (6110-6410)	478	480	2
Plant Nonspecific Operations Expense	1,270	1,132	3
Customer Operations Expense (6610-6620)	750	715	4
Corporate Operations Expense (6720-6790)	684	506	5
Other Operating Income and Expense (7100)	1	1	6
Operating Taxes (7200)	954	1,057	7
Total Operating Expenses	4,135	3,889	
Net Operating Income	1,324	1,462	
Other Income			
Nonoperating Income and Expense (7300)	375	134	8
Nonoperating Taxes (7400)	120	33	9
Interest and Related Items (7500)	97	106	10
Extraordinary Items (7600)	0	0	11
Nonregulated Net Income (7990)	113	(61)	12
Total Nonoperating Income	271	(66)	
Net Income	1,595	1,396	

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

-
1. A summary of significant accounting policies. (The summaries should disclose, but not be limited to, the utility's accounting policies with regard to pension cost, unbilled revenues, depreciation, and income taxes.)

TELEPHONE PLANT

Telephone plant is stated as the original cost of construction including capitalized costs such as taxes, pensions, and other fringe benefits, and an allowance for funds used during construction (AFUDC).

DEPRECIATION

The company provides depreciation for financial reporting purposes using the straight-line method. Renewals and betterments of units of property are charged to telephone plant in service. The original cost of depreciable property retired, together with removal cost less any salvage realized, is charged to accumulated depreciation. Repairs and renewals of minor items of property are charged to maintenance expense. No gain or loss is recognized in connection with ordinary retirements of depreciable property.

REVENUES

Operating and nonoperating revenues are recognized when earned regardless of the period in which they are billed.

Compensation for all intrastate service is received through tariffed access charges billed to the long distance carrier and retained by the company.

Compensation for interstate access services is received through tariffed access charges filed by the National Exchange Carrier Association (NECA) with the Federal Communications Commission (FCC) on behalf of the member companies. These access charges are billed by the company to the interstate long distance carrier, and pooled with like revenues from all NECA member companies.

PENSION

The company is a member of the Telephone and Data Systems, Inc. Employees' Pension Trust I. This qualified, noncontributory defined contribution pension plan covers substantially all company employees. Under this plan, pension benefits and costs are funded currently.

INCOME TAXES

The company is included in the TDS consolidated federal income tax return. For financial reporting purposes, the company computes its federal income tax by applying the statutory rate to all its taxable income.

The company uses the full-normalization method for all timing differences with the resulting book-tax differences being provisioned through the deferred tax accounts. Deferred income taxes resulting from accelerated depreciation used for income tax purposes had previously been provided through the depreciation accounts. Such deferred taxes are credited to income as the related timing differences reverse. Investment tax credits resulting from investments in qualifying telephone plant and equipment

NOTES TO INCOME STATEMENT OR BALANCE SHEET

In the space provided below, disclose all material information not included elsewhere in this report that is necessary to make the financial statements clear and understandable. Included should be:

have been deferred and are being amortized to income over the service lives of the related property.

2. A summary of significant contingent assets and liabilities existing at year end, including a brief explanation of any action initiated by the Internal Revenue Service, Wisconsin Department of Revenue, or the utility involving a possible assessment or refund of taxes.

None.

3. The notes should include an explicit and precise explanation of any retained earnings restrictions and should state the amount of retained earnings affected by such restrictions.

The company is restricted from transferring funds to the parent or other affiliates in the form of cash dividends until certain financial requirements of its mortgage indentures have been met. At December 31, 2004, the company could distribute up to \$6,796,899 to the parent or other affiliates in the form of cash dividends.

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY	Balance--FOY (000's) (c)	
CURRENT ASSETS			
CASH AND EQUIVALENTS			
Cash and Equivalents (1120)*	4,423	4,097	1
TOTAL CASH AND EQUIVALENTS	4,423	4,097	
RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS			
Receivables (1170)*	1,033	684	2
Allowance for Doubtful Accounts (1171)*	7	4	3
TOTAL RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS	1,026	680	
SUPPLIES			
Inventories (1220)*	91	117	4
TOTAL SUPPLIES	91	117	
PREPAYMENTS			
Prepayments (1280)*	113	9	5
TOTAL PREPAYMENTS	113	9	
OTHER CURRENT ASSETS			
Other Current Assets (1350)*			6
TOTAL OTHER CURRENT ASSETS	0	0	
TOTAL CURRENT ASSETS	5,653	4,903	
NONCURRENT ASSETS			
INVESTMENTS			
Nonregulated Investments (1406)*	92	122	7
RTB Class B Stock (1402)*	174	174	8
Other Noncurrent Assets (1410)*	6	73	9
TOTAL INVESTMENTS	272	369	
DEFERRED CHARGES			
Deferred Maint., Retirements and Other Deferred Charges (1438)*			10
TOTAL DEFERRED CHARGES	0	0	
OTHER JURISDICTIONAL ASSETS-NET			
Other Jurisdictional Assets-Net (1500)*			11
TOTAL OTHER JURISDICTIONAL ASSETS-NET	0	0	
TOTAL NONCURRENT ASSETS	272	369	
PLANT			
TELECOMMUNICATIONS PLANT IN SERVICE			
Telecommunications Plant in Service (2001)*	14,626	13,332	12
Less: Accumulated Depreciation (3100)*	8,904	8,534	13
Less: Accumulated Amortization-Tangible (3400)*			14
Less: Accumulated Amortization-Capitalized Leases (3410)	44	22	15
NET TELECOMMUNICATIONS PLANT IN SERVICE	5,678	4,776	
PROPERTY HELD FOR FUTURE USE			
Property Held for Future Telecommunications Use (2002)*		38	16
Less: Accumulated Depr.-Held for Future Telecom. Use (3200)*		29	17
NET PROPERTY HELD FOR FUTURE USE	0	9	
NONOPERATING PLANT			
Nonoperating Plant (2006)*			18

BALANCE SHEET - ASSETS (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (000's) (b)	Balance--FOY (000's) (c)
PLANT		
NONOPERATING PLANT		
Less: Accumulated Depreciation-Nonoperating (3300)*		19
NET NONOPERATING PLANT	0	0
TPUC		
Telecommunications Plant Under Construction (2003)*	41	41
TOTAL TPUC	41	41
TELECOMMUNICATIONS PLANT ADJUSTMENT		
Telecommunications Plant Adjustment (2005)*		21
NET TELECOMMUNICATIONS PLANT ADJUSTMENT	0	0
GOODWILL		
Goodwill (2007)*		22
TOTAL GOODWILL	0	0
TOTAL PLANT	5,719	4,826
TOTAL ASSETS AND OTHER DEBITS	11,644	10,098

BALANCE SHEET - LIABILITIES (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	Balance--EOY (000's) (b)	Balance--FOY (000's) (c)	
CURRENT LIABILITIES			
Notes Payable (4020)*			1
Other Current Accounts and Notes Payable (4000)*	708	595	2
Customers' Deposits (4040)*			3
Income Taxes-Accrued (4070)*	29	200	4
Other Taxes-Accrued (4080)*	23	21	5
Net Current Deferred Operating Income Taxes (4100)*	(25)	(23)	6
Net Current Deferred Nonoperating Income Taxes (4110)*			7
Current Maturities-Long-Term Debt (4050)*	179	167	8
Current Maturities-Capital Leases (4060)*			9
Other Current Liabilities (4130)*	133	199	10
TOTAL CURRENT LIABILITIES	1,047	1,159	
LONG-TERM DEBT			
Long-Term Debt and Funded Debt (4200)*	1,030	1,226	11
TOTAL LONG-TERM DEBT	1,030	1,226	
OTHER LIABILITIES AND DEFERRED CREDITS			
Other Liabilities and Deferred Credits (4300)*	106	84	12
Unamortized Operating Investment Tax Credits-Net (4320)*			13
Unamortized Nonoperating Investment Tax Credits-Net (4330)*			14
Net Noncurrent Deferred Operating Income Taxes (4340)*	724	504	15
Net Deferred Tax Liability Adjustments (4341)*	1	3	16
Net Noncurrent Deferred Nonoperating Income Taxes (4350)*		(17)	17
Deferred Tax Regulatory Adjustments-Net (4361)*	(1)	(3)	18
Other Jurisdictional Liabilities and Deferred Credits-Net (4370)*			19
TOTAL OTHER LIABILITIES AND DEFERRED CREDITS	830	571	
STOCKHOLDERS' EQUITY			
Capital Stock (4510)*	1,376	1,376	20
Additional Paid-in Capital (4520)*			21
Treasury Stock (4530)*			22
Other Capital (4540)*			23
Retained Earnings (4550)*	7,361	5,766	24
TOTAL STOCKHOLDERS' EQUITY	8,737	7,142	
TOTAL LIABILITIES AND OTHER CREDITS	11,644	10,098	

IMPORTANT CHANGES DURING THE YEAR

1. Estimated increase or decrease in annual revenues due to important rate changes, giving bases of estimates. Provide details and dollar amounts for increases and decreases, respectively, by revenue category noted on Operating Revenues schedule.

---CONF---

-
2. Additional matters of fact (not elsewhere provided for) which respondent may desire to include in its report.

None .

AFFILIATE ABBREVIATIONS

In column (b) provide the abbreviation for the name of the affiliate shown in column (a). Limit abbreviations to 10 characters or less. Use these abbreviations when completing the affiliated interest schedules. Insert "Other" in the Abbreviations column if the activity to be reported for a particular record in the Affiliated Interest Transactions or Affiliated Assets and Liabilities schedule represents an aggregation of activity not exceeding the dollar or percentage limits set forth in the header of that schedule.

Name of Affiliate (a)	Abbreviations (b)	
Dickeyville Telephone, LLC	DICKEY	1
Grantland Telecom, Inc.	GRANT	2
TDS Metrocom, Inc.	METROCOM	3
Other	OTHER	4
Pioneer Communications, Inc.	PCI	5
Telephone & Data Systems, Inc.	TDS	6
TDS Communications Solutions, Inc.	TDS CS	7
TDS Long Distance Corporation	TDS LD	8
TDS Telecommunications Corporation	TDS TC	9
TDS Telecom Service Corporation	TDS TEL	10

AFFILIATED INTEREST TRANSACTIONS

Provide a summary of transactions under established affiliated interest contracts and arrangements (see Wis. Stat. § 196.52, for "affiliated interest" definitions). Use the space below to report transactions with individual affiliates and multiple affiliated interest agreements or, at the utility's option, with individual affiliates and a single agreement. Activity associated with affiliated contracts or arrangements not in excess of \$25 (,000) or 5 percent of the equity of the utility, whichever is smaller, may be aggregated in a single record. For utilities whose intrastate gross operating revenues of the previous year exceeded \$100,000 (,000), individual contracts or arrangements not exceeding \$100 (,000) may be aggregated in a single record. Where an affiliate is both providing and receiving service use one record to show billings to and a second record for billings from. When billings to or from an affiliate are recorded on the books of the utility, the records underlying such billings shall be sufficient to show all the detail maintained to identify the associated accounts related to the billing.

Particulars (a)	(b)	(c)	(d)	(e)	
Docket	5-ATF-183	5-ATF-183	5-ATF-183	5-ATF-183	
Name of Affiliate	DICKEY	GRANT	OTHER	OTHER	1
Designate whether billed to or from:	TO	TO	FROM	TO	2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C	C	C	3
Total Dollar Activity (000's)	---CONF---	---CONF---	---CONF---	---CONF---	4
Percent of affiliate's business billed to all affiliated regulated utilities	---CONF---	---CONF---	---CONF---	---CONF---	5
If cost based, rate of return on equity or markup incorporated in billings	---CONF---	---CONF---	---CONF---	---CONF---	6
Footnotes					

Particulars (a)	(b)	(c)	(d)	(e)	
Docket	5-ATF-183	5-ATF-183	5-ATF-183		
Name of Affiliate	TDS	TDS CS	TDS TEL		1
Designate whether billed to or from:	FROM	FROM	FROM		2
Cost Based (C), Market Price (M), Prevailing Price (P), Tariff (T), Other (O)	C	C	C		3
Total Dollar Activity (000's)	---CONF---	---CONF---	---CONF---		4
Percent of affiliate's business billed to all affiliated regulated utilities	---CONF---	---CONF---	---CONF---		5
If cost based, rate of return on equity or markup incorporated in billings	---CONF---	---CONF---	---CONF---		6
Footnotes					

AFFILIATED ASSETS AND LIABILITIES

This schedule should be used to report affiliated activity concerning balances at the end of the year. Amounts at the end of the year for each affiliate should be identified by respective affiliate and account number. (See Balance Sheet schedules for respective account titles other than account 4010, Accounts Payable.) Report information below consecutively by respective account number; affiliated amounts of less than \$5,000 may be reported in aggregate as "Other" for a particular account.

Name of Affiliate (a)	Account Number (b)	Balance EOY (000's) (c)	
Dickeyville Telephone, LLC	1170	---CONF---	1
Grantland Telecom, Inc.	1170	---CONF---	2
Other	1170	---CONF---	3
TDS Long Distance Corporation	1170	---CONF---	4
TDS Telecom Service Corporation	1170	---CONF---	5 D
Other	4000	---CONF---	6
Pioneer Communications, Inc.	4000	---CONF---	7
TDS Communications Solutions, Inc.	4000	---CONF---	8
TDS Metrocom, Inc.	4000	---CONF---	9 F
TDS Telecom Service Corporation	4000	---CONF---	10
TDS Telecommunications Corporation	4000	---CONF---	11 E
TDS Communications Solutions, Inc.	4200	---CONF---	12 G

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (000's) (c)	Additions (000's) (d)	
GENERAL SUPPORT ASSETS				
Land	2111	101		1 A
Motor Vehicles	2112	384	24	2 A
Aircraft	2113	0		3
Tools and Other Work Equipment	2114	354	6	4
Buildings	2121	648		5 A
Furniture	2122	76		6
Office Equipment	2123	42		7
General Purpose Computers	2124	95		8 A
TOTAL GENERAL SUPPORT ASSETS:		1,700	30	
CENTRAL OFFICE ASSETS				
Non-Digital Switching	2211	0		9
Digital Electronic Switching	2212	2,488	615	10 A
Operator Systems	2220	0		11
Radio Systems	2231	0		12
Circuit Equipment	2232	1,932	319	13 A
TOTAL CENTRAL OFFICE ASSETS:		4,420	934	
INFORMATION ORIGATION/TERMINATION ASSETS				
Station Apparatus	2311	0		14
Customer Premises Wiring	2321	0		15
Large Private Branch Exchanges	2341	0		16
Public Telephone Terminal Equipment	2351	0		17
Other Terminal Equipment	2362	14		18
TOTAL INFORMATION ORIG/TERM ASSETS:		14	0	
CABLE & WIRE FACILITIES ASSETS				
Poles	2411	120	1	19
Aerial Cable	2421	518	3	20
Underground Cable	2422	159	24	21
Buried Cable	2423	5,941	436	22 A
Submarine and Deep Sea Cable	2424	0	0	23
Intrabuilding Network Cable	2426	0	0	24
Aerial Wire	2431	20		25
Conduit Systems	2441	300		26
TOTAL CABLE & WIRE FACILITIES ASSETS:		7,058	464	
AMORTIZABLE ASSETS				
Capital Leases	2681	66	8	27
Leasehold Improvements	2682	5	4	28
Intangibles	2690	69	78	29 A,B
TOTAL AMORTIZABLE ASSETS:		140	90	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (000's) (f)	Transfers / Adjustments (000's) (g)	Balance EOY (000's) (h)	
2111		14	115	1 A
2112	34	19	393	2 A
2113			0	3
2114			360	4
2121	6	73	715	5 A
2122			76	6
2123			42	7
2124		6	101	8 A
	40	112	1,802	
2211			0	9
2212	215	18	2,906	10 A
2220			0	11
2231			0	12
2232	202	65	2,114	13 A
	417	83	5,020	
2311			0	14
2321			0	15
2341			0	16
2351			0	17
2362			14	18
	0	0	14	
2411	11		110	19
2421	18	0	503	20
2422	0	0	183	21
2423	29	38	6,386	22 A
2424	0	0	0	23
2426	0	0	0	24
2431			20	25
2441			300	26
	58	38	7,502	
2681			74	27
2682			9	28
2690		58	205	29 A,B
	0	58	288	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B

Plant Account (a)	Account (b)	Balance FOY (000's) (c)	Additions (000's) (d)	
TOTAL TELECOM. PLANT IN SERVICE	2001	13,332	1,518	
Less: Allocation to Nonregulated Activity - EOY	2001			30
<hr/>				
NET REG TOTAL TELECOM. PLANT IN SERVICE - EOY 2001				
Explain all amounts shown in column (g).				

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (cont.)

Account (e)	Retirements (000's) (f)	Transfers / Adjustments (000's) (g)	Balance EOY (000's) (h)	
2001	515	291	14,626	
2001				30
2001			14,626	

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)

Report telecommunications plant data for each subaccount where primary plant accounts have subclassifications. Any other separate accounting for telephone plant at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subaccount (b)	Balance FOY (000's) (c)	Additions (000's) (d)	
Digital Electronic Switching - Circuit	2212.1	2,488	615	1 A
Digital Electronic Switching - Packet	2212.2	0		2
Circuit Equipment - Electronic	2232.1	1,268	275	3 A
Circuit Equipment- Optical	2232.2	664	44	4 A
Aerial Cable - Nonmetallic	2421.1	0		5
Aerial Cable - Metallic	2421.2	518	3	6
Underground Cable - Nonmetallic	2422.1	26		7
Underground Cable - Metallic	2422.2	133	24	8
Buried Cable - Nonmetallic	2423.1	1,150	2	9 A
Buried Cable - Metallic	2423.2	4,791	434	10
Sub. and Deep Sea Cable - Nonmetallic	2424.1	0		11
Submarine and Deep Sea Cable - Metallic	2424.2	0		12
Intrabuilding Cable - Nonmetallic	2426.1	0		13
Intrabuilding Cable - Metallic	2426.2	0		14

Explain all amounts shown in column (g).

TELECOMMUNICATIONS PLANT IN SERVICE CLASS A & B (SUB-CLASS ACCOUNTS)
(cont.)

Subaccount (e)	Retirements (000's) (f)	Transfers / Adjustments (000's) (g)	Balance EOY (000's) (h)	
2212.1	215	18	2,906	1 A
2212.2			0	2
2232.1	1	73	1,615	3 A
2232.2	201	(8)	499	4 A
2421.1			0	5
2421.2	18		503	6
2422.1			26	7
2422.2			157	8
2423.1		38	1,190	9 A
2423.2	29		5,196	10
2424.1			0	11
2424.2			0	12
2426.1			0	13
2426.2			0	14

ACCUMULATED DEPRECIATION CLASS A & B

Primary Plant Account (a)	Acct (b)	Balance FOY (000's) (c)	Depr Rate (d)	Annual Accrual (000's) (e)	Additional Accrual (000's) (f)	
GENERAL SUPPORT ASSETS						
Motor Vehicles	2112	226	13.5100	51		1 A
Aircraft	2113	0				2
Tools and Other Work Equipment	2114	258	8.5500	31		3
Buildings	2121	390	2.5700	17		4 A
Furniture	2122	58	7.4300	6		5
Office Equipment	2123	42	10.0000			6
General Purpose Computers	2124	83	5.2900	5		7 A
TOTAL GENERAL SUPPORT ASSETS		1,057		110	0	
CENTRAL OFFICE ASSETS						
Non-Digital Switching	2211	0				8
Digital Electronic Switching	2212	1,573	7.4700	201	0	9 A
Operator Systems	2220	0				10
Radio Systems	2231	0				11
Circuit Equipment	2232	1,027	5.1500	104	0	12 A
TOTAL CENTRAL OFFICE ASSETS		2,600		305	0	
INFORMATION ORIGINATION/TERMINATION ASSETS						
Station Apparatus	2311	0				13
Customer Premises Wiring	2321	0				14
Large Private Branch Exchanges	2341	0				15
Public Telephone Terminal Equipment	2351	0				16
Other Terminal Equipment	2362	9	7.6400	1		17
TOTAL INFORMATION ORIG/TERM ASSETS		9		1	0	
CABLE & WIRE FACILITIES ASSETS						
Poles	2411	91	5.2500	6		18
Aerial Cable	2421	444	8.5600	43	0	19
Underground Cable	2422	111	13.1400	22	0	20
Buried Cable	2423	4,079	5.3400	298	0	21 A
Submarine and Deep Sea Cable	2424	0		0	0	22
Intrabuilding Network Cable	2426	0		0	0	23
Aerial Wire	2431	26	15.0000	3		24 I
Conduit Systems	2441	117	2.8800	8		25
TOTAL CABLE & WIRE FACILITIES ASSETS		4,868		380	0	
Total Accumulated Depreciation	3100	8,534		796	0	
Less: Nonreg Accumulated Depreciation	3100					26
Net Reg Total Accumulated Depreciation	3100			796	0	
Columns e, f and I						

ACCUMULATED DEPRECIATION CLASS A & B (cont.)

Acct (g)	Retired (000's) (h)	Cost of Removal (000's) (i)	Salvage (000's) (j)	Other (000's) (k)	Balance EOY (000's) (l)	
2112	34		8	13	264	1 A
2113	0				0	2
2114	0				289	3
2121	6	2		25	424	4 A
2122	0				64	5
2123	0				42	6
2124	0			1	89	7 A
	40	2	8	39	1,172	
2211	0				0	8
2212	215	0	0	1	1,560	9 A
2220	0				0	10
2231	0				0	11
2232	202	0	5	11	945	12 A
	417	0	5	12	2,505	
2311	0				0	13
2321	0				0	14
2341	0				0	15
2351	0				0	16
2362	0				10	17
	0	0	0	0	10	
2411	11	1			85	18
2421	18	2	0	0	467	19
2422	0	0	0	0	133	20
2423	29	2	0	32	4,378	21 A
2424	0	0	0	0	0	22
2426	0	0	0	0	0	23
2431	0				29	24 I
2441	0				125	25
	58	5	0	32	5,217	
3100	515	7	13	83	8,904	
3100						26
3100					8,904	

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS)

Where subclassifications of primary plant accounts are used, report below the accumulated depreciation details for each subaccount or subsidiary record. Any other separate accounting for telephone accumulated depreciation at an individual telephone company should be consolidated and reported in the primary accounts as defined in the uniform system of accounts.

Plant Subaccount (a)	Subacct (b)	Balance FOY (000's) (c)	Depr Rate (d)	Annual Accrual (000's) (e)	Additional Accrual (000's) (f)
Digital Electronic Switching - Circuit	2212.1	1,573	7.47	201	1 A
Digital Electronic Switching - Packet	2212.2	0			2
Circuit Equipment - Electronic	2232.1	786	3.8	55	3 A
Circuit Equipment- Optical	2232.2	241	9.2700	49	4 A
Aerial Cable - Nonmetallic	2421.1	0			5
Aerial Cable - Metallic	2421.2	444	8.5600	43	6
Underground Cable - Nonmetallic	2422.1	8	5.67	2	7
Underground Cable - Metallic	2422.2	103	15.78	20	8
Buried Cable - Nonmetallic	2423.1	487	5.24	68	9 A
Buried Cable - Metallic	2423.2	3,592	4.6	230	10
Sub. and Deep Sea Cable - Nonmetallic	2424.1	0			11
Submarine and Deep Sea Cable - Metallic	2424.2	0			12
Intrabuilding Cable - Nonmetallic	2426.1	0			13
Intrabuilding Cable - Metallic	2426.2	0			14

ACCUMULATED DEPRECIATION CLASS A & B (SUB-CLASS ACCOUNTS) (cont.)

Subacct (g)	Retired (000's) (h)	Cost of Removal (000's) (i)	Salvage (000's) (j)	Other (000's) (k)	Balance EOY (000's) (l)	
2212.1	215			1	1,560	1 A
2212.2	0				0	2
2232.1	1			19	859	3 A
2232.2	201		5	(8)	86	4 A
2421.1	0				0	5
2421.2	18	2			467	6
2422.1	0				10	7
2422.2	0				123	8
2423.1	0			32	587	9 A
2423.2	29	2			3,791	10
2424.1	0				0	11
2424.2	0				0	12
2426.1	0				0	13
2426.2	0				0	14

RETAINED EARNINGS (ACCT. 4550)

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
Balance-First of Year	5,766	4,370	1
Changes:			
Balance Transferred from Income	1,595	1,396	2
Dividends Declared:			
Common		0	3
Preferred		0	4
Total Dividends Declared	0	0	
Miscellaneous Debits to Retained Earnings		0	5
Miscellaneous Credits to Retained Earnings		0	6
Balance--End of Year	<u>7,361</u>	<u>5,766</u>	

REVENUES - CLASS A & B (CLASS B USE ACCOUNTS DESIGNATED BY *)

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
LOCAL NETWORK SERVICES REVENUES			
Basic Local Service Revenue (5000)*			1
Basic Area Revenue (5001)	1,191	1,203	2 c
Private Line Revenue (5040)	146	133	3
Other Basic Area Revenue (5060)	208	189	4
TOTAL LOCAL NETWORK SERVICES REVENUES	1,545	1,525	
INTERSTATE NETWORK ACCESS SERVICES REV.			
End User Revenue (5081)*	610	617	5
Switched Access Revenue (5082)*	1,017	928	6
Special Access Revenue (5083)*	278	189	7 J
TOTAL INTERSTATE NETWORK ACCESS SERVICES REV.	1,905	1,734	
INTRASTATE NETWORK ACCESS SERVICES REV.			
End User Revenue (5081)*			8
Switched Access Revenue (5082)*	996	944	9
Special Access Revenue (5083)*	567	601	10
TOTAL INTRASTATE NETWORK ACCESS SERVICES REV.	1,563	1,545	
LONG DISTANCE NETWORK SERVICES MESSAGE REV.			
Long Distance Message Revenue (5100)*			11
TOTAL LONG DISTANCE NETWORK SERVICES MESSAGE REV.	0	0	
MISCELLANEOUS & NONREGULATED REVENUES			
Miscellaneous Revenue (5200)*	---CONF---	---CONF---	12 c
Directory Revenue (5230)	---CONF---	---CONF---	13
Nonregulated Operating Revenue (5280)*	---CONF---	---CONF---	14
TOTAL MISCELLANEOUS & NONREGULATED REVENUES	437	487	
GROSS OPERATING REVENUES	5,450	5,291	
UNCOLLECTIBLE REVENUES			
Uncollectible Revenue (5300)*	(9)	(60)	15 K
TOTAL UNCOLLECTIBLE REVENUES	(9)	(60)	
TOTAL OPERATING REVENUES	5,459	5,351	

EXPENSES - CLASS A & B

Particulars (a)	Total This Year (000's) (b)	Total Last Year (000's) (c)	
PLANT SPECIFIC OPERATIONS EXPENSE			
TOTAL PLANT SPECIFIC OPERATIONS EXPENSE	478	480	1
LESS: NONREGULATED			2
NET REGULATED PLANT SPECIFIC OPERATIONS EXPENSE	478	480	
PLANT NONSPECIFIC OPERATIONS EXPENSE			
Other Property, Plant and Equip. Exp. (6510)			3
Network Operations Expense (6530)	314	263	4
Access Expense (6540)	123	99	5 L
Depreciat. Exp.--Tele. Plant in Service (6561)	780	739	6
Depreciat. Exp.--Prop. Held for Future Tele. Use (6562)		2	7
Amortization Expense--Tangible (6563)	25	23	8
Amortization Expense--Intangible (6564)	28	6	9 M
Amortization Expense--Other (6565)			10
Depreciation and Amortization Expense (6560)	833	770	11
TOTAL PLANT NONSPECIFIC OPERATIONS EXPENSE	1,270	1,132	12
LESS: NONREGULATED			13
NET REGULATED PLANT NONSPECIFIC OPERATIONS EXPENSE	1,270	1,132	
CUSTOMER OPERATIONS EXPENSE			
Marketing (6610)	167	131	14 N
Services (6620)	583	584	15
TOTAL CUSTOMER OPERATIONS EXPENSE	750	715	16
LESS: NONREGULATED			17
NET REGULATED CUSTOMER OPERATIONS EXPENSE	750	715	
CORPORATE OPERATIONS EXPENSE			
TOTAL CORPORATE OPERATIONS EXPENSE	684	506	18 N
LESS: NONREGULATED			19
NET REGULATED CORPORATE OPERATIONS EXPENSE	684	506	
TOTAL EXPENSES	3,182	2,833	
LESS: NONREGULATED	0	0	
NET REGULATED EXPENSES	3,182	2,833	

CALCULATION OF ASSESSABLE REVENUES FOR REMAINDER AND TELEPHONE RELAY ASSESSMENT PURPOSES

Currently, cooperatives are not billed for remainder assessment, but are subject to the telephone relay assessment.

Description (a)	This Year (000's) (b)	
Gross Operating Revenues	5,450	1
Plus: Collection of amounts previously written off		2
Less: Uncollectibles written off during the year	(9)	3 H
Plus: Total Other Operating Income and (Expense) (7100)	1	4
Less: Nonregulated Operating Revenue (included in Gross Oper. Rev. on Line 1)		5
Plus: Nonregulated Net Write Off Amount (included on lines 2 and 3)		6
Less: Out-of-State Operating Revenues (included in Gross Oper. Rev. on Line 1)		7
Plus (or Less) Other (please specify): None	0	8
Assessable Revenues for Remainder and Telephone Relay Assessment Purposes	5,460	

CALCULATION OF ASSESSABLE REVENUES FOR UNIVERSAL SERVICE FUND ASSESSMENT PURPOSES

Description (a)	This Year (000's) (b)	
Total Basic Local Service Revenue (5000)	1,545	1
Plus: Total Intrastate Access Revenues (5081-5083)	1,563	2
Plus: Total Long Distance Network Services Revenue	0	3
Less: Out-of-State Operating Revenues (included in the above lines)		4
Plus: Intrastate Payphone Revenues		5
Plus (or Less) Other (please specify): None	0	6
Assessable Revenues for Universal Service Fund Assessment Purposes	3,108	

OTHER INCOME ACCOUNTS

Particulars (a)	This Year (000's) (b)	Last Year (000's) (c)	
TOTAL OTHER OPERATING INCOME AND EXPENSE (7100)	1	1	1
LESS: NONREGULATED			2
NET REGULATED OTHER OPERATING INCOME AND EXPENSE (7100)	1	1	
TOTAL OPERATING TAXES (7200)	954	1,057	3
LESS: NONREGULATED			4
NET REGULATED OPERATING TAXES (7200)	954	1,057	
TOTAL NONOPERATING INCOME AND EXPENSE (7300)	375	134	5
LESS: NONREGULATED			6
NET REGULATED NONOPERATING INCOME AND EXPENSE (7300)	375	134	
TOTAL NONOPERATING TAXES (7400)	120	33	7
LESS: NONREGULATED			8
NET REGULATED NONOPERATING TAXES (7400)	120	33	
TOTAL INTEREST AND RELATED ITEMS (7500)	97	106	9
LESS: NONREGULATED			10
NET REGULATED INTEREST AND RELATED ITEMS (7500)	97	106	
TOTAL EXTRAORDINARY ITEMS (7600)			11
LESS: NONREGULATED			12
NET REGULATED EXTRAORDINARY ITEMS (7600)	0	0	
TOTAL NONREGULATED NET INCOME (7990)	113	(61)	13
TOTAL OTHER INCOME ACCOUNTS	(682)	(1,122)	
TOTAL NONREGULATED	113	(61)	
TOTAL NET REGULATED OTHER INCOME ACCOUNTS	(795)	(1,061)	

NONREGULATED ACTIVITIES

List the type of nonregulated activities that the company is involved in.

Nonregulated Activity (a)	
1 & 2 line phones, business systems and inside wiring.	1
---CONF---	2
---CONF---	3
---CONF---	4
---CONF---	5
---CONF---	6

TELEPHONE CALLS AND MINUTES OF USE PER MONTH

Enter average number, in thousands, of calls and minutes of use per month. The averages may be based on actual counts taken periodically during the year. Please provide level of detail available.

Item (a)	Telephone Calls (000's) (b)	Minutes of Use (000's) (c)	
LOCAL			
Extended Community Calling	112	330	1
Other Local-Undefined			2
Total Local	112	330	
TOLL			
Toll	714	2,500	3
Total Toll	714	2,500	
Total Local & Toll	826	2,830	

ACCESS USAGE

Enter number, in thousands, of Billed Minutes.

Description (a)	Billed Minutes (000's)				
	Interstate InterLATA (b)	Intrastate InterLATA (c)	Intrastate IntraLATA (d)	Interstate IntraLATA (e)	
Feature Group A & B -- Orig.	0	0	0	0	1
Feature Group A & B -- Terr	0	0	0	0	2
Feature Group C -- Orig.	0	0	0	0	3
Feature Group C -- Term.	0	0	0	0	4
Feature Group D -- Orig.	7,276	2,282	3,689	5	5
Feature Group D -- Term.	6,413	1,864	6,501	11	6

OUTSIDE PLANT STATISTICS AT END OF YEAR

Description of Item (a)	Amount (b)	
Sheath miles of plant - fiber optics	107	1
Route miles of plant - microwave		2

SPECIAL ACCESS CIRCUITS IN USE AT END OF YEAR

Circuit Type (a)	InterLATA Chan. Terms. (b)	IntraLATA Chan. Terms. (c)	
Voice grade	5	16	1
56/64 kbps (DS0)	12	12	2
1.54 Mbps (DS-1)	56	18	3
45 Mbps (DS-3)	1	1	4
SONET OC-1 (51.84 Mbps)	0	0	5
SONET OC-3 (155.52 Mbps)	0	0	6
SONET OC-12 (622.08 Mbps)	0	0	7
SONET OC-48 (2.488 Gbps)	0	0	8
SONET OC-192 (9.953 Gbps)	0	0	9
SONET OC-768 (39.812 Gbps)	0	0	10

SERVICE DATA

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	FOY (b)	EOY (c)	
Business			
1 Party	1,152	1,025	3
PBX Trunks/Centrex & Key System Trunks	23	445	4
Centrex Lines	239	235	5
FX-Out (Switched)			6
Pay Telephone	6		7
Other		43	8
Total Business Lines	1,420	1,748	9
Residential (Incl. Emp. Concess.)			
1 Party	4,769	4,711	10
FX-Out (Switched)			11
Other			12
Total Residential Lines	4,769	4,711	13
Total Bus & Res Lines	6,189	6,459	14
Company Total Lines Used	160	155	15
Total Lines Used	6,349	6,614	16
Miscellaneous			
WATS Lines - OutWATS			17
WATS Lines - 800 Service			18
FX-In-intraLATA			19
Special Access-intraLATA (expressed in equiv. access lines)	1,263	1,132	20
Special Access-interLATA (expressed in equiv. access lines)	1,555	2,033	21
Feature Group C Trunks			22
Feature Group D Trunks	432	456	23
TSPS - Trunks	16	16	24
EAS and ECC - Trunks	360	360	25
Cellular Trunks (Pub. Sw. Net.)			26
Customers			
Number of Lifeline customers at FOY (January 1, 2004) and EOY (December 31, 2004):	127	159	27
Number of Linkup customers connected during FOY (Calendar year 2003) and EOY (Calendar year 2004):	45	54	28
Other			
Total Company Square Miles	344	344	29
Total Company Route Miles	1,086	1,106	30
Footnotes			31

SERVICE DATA - END OF YEAR

Access Line--Central office line equipment, or equivalent, and all outside plant facilities, or equivalent, required to connect the serving central office with the customer premises via physical connection, frequency, and/or time slot. From an engineering perspective, a channel connection is at a DS0 level. A DS0 level is a 4 KHz voice or 64 Kilobits/second. Customer--A person who uses a telephone as a subscriber.

Item (a)	Exchange (b)	Exchange (c)	Exchange (d)	Exchange (e)	
PSCW Exchange ID	0390	0960	2850	4350	1
Business					2
1 Party	---CONF---	---CONF---	---CONF---	---CONF---	3
PBX Trunks/Centrex & Key System Trunks	---CONF---	---CONF---	---CONF---	---CONF---	4
Centrex Lines	---CONF---	---CONF---	---CONF---	---CONF---	5
FX-Out (Switched)	---CONF---	---CONF---	---CONF---	---CONF---	6
Pay Telephone	---CONF---	---CONF---	---CONF---	---CONF---	7
Other	---CONF---	---CONF---	---CONF---	---CONF---	8
Total Business Lines	---CONF---	---CONF---	---CONF---	---CONF---	9
Residential (Incl. Emp. Concess.)					10
1 Party	---CONF---	---CONF---	---CONF---	---CONF---	11
FX-Out (Switched)	---CONF---	---CONF---	---CONF---	---CONF---	12
Other	---CONF---	---CONF---	---CONF---	---CONF---	13
Total Residential Lines	---CONF---	---CONF---	---CONF---	---CONF---	14
Total Bus & Res Lines	---CONF---	---CONF---	---CONF---	---CONF---	15
Company Total Lines Used	---CONF---	---CONF---	---CONF---	---CONF---	16
Total Lines Used	---CONF---	---CONF---	---CONF---	---CONF---	17
Miscellaneous					18
WATS Lines - OutWATS	---CONF---	---CONF---	---CONF---	---CONF---	19
WATS Lines - 800 Service	---CONF---	---CONF---	---CONF---	---CONF---	20
FX-In-intraLATA	---CONF---	---CONF---	---CONF---	---CONF---	21
Special Access-intraLATA (equiv. access lines)	---CONF---	---CONF---	---CONF---	---CONF---	22 23
Special Access-interLATA (equiv. access lines)	---CONF---	---CONF---	---CONF---	---CONF---	24 25
Feature Group C Trunks	---CONF---	---CONF---	---CONF---	---CONF---	26
Feature Group D Trunks	---CONF---	---CONF---	---CONF---	---CONF---	27
TSPS - Trunks	---CONF---	---CONF---	---CONF---	---CONF---	28
EAS and ECC - Trunks	---CONF---	---CONF---	---CONF---	---CONF---	29
Cellular Trunks (Pub. Sw. Net.)	---CONF---	---CONF---	---CONF---	---CONF---	30
Other					31
Exchange Square Miles	---CONF---	---CONF---	---CONF---	---CONF---	32
Exchange Route Miles	---CONF---	---CONF---	---CONF---	---CONF---	33
Footnotes					34

MANUFACTURER ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Manufacturer Name (a)	Abbreviation (b)	
Advanced Fiber Communication	AFC	1
Alcatel	AL	2
ATTC	ATT	3
Digital Loop Carrier	DLC	4
GTE	GTE	5
ITT	ITT	6
Lucent	ATT/LUC	7
Northern Telecom	NTI	8
Siemens	SI	9
Stromberg-Carlson	SC	10

EQUIPMENT ABBREVIATIONS

Use these abbreviations when completing the central office data schedule.

Equipment Type (a)	Abbreviation (b)	
Electronic--Digital	D	1
Electronic--Video	V	2
IP-Packet	P	3

CENTRAL OFFICE DATA - END OF YEAR

When an exchange has more than one central office, data must be reported for each central office.

Description (a)	Central Off. (b)	Central Off. (c)	Central Off. (d)	Central Off. (e)	
Exchange Name	BEETOWN	CASSVILLE	LANCASTER	POTOSI	1
PSCW Exchange ID	0390	0960	2850	4350	2
Central Office Name	BEETOWN	CASSVILLE	LANCASTER	POTOSI	3
PSCW Central Office ID	1	1	1	1	4
Central Office CLLI Code	BETWWIXARS0	CSVLWIXARS0	LNCSWIXADS1	POTSWIXARS0	5
Manufacturer of COE (Page 54)	SI	SI	SI	SI	6
Type of Equipment (Page 54)	D	D	D	D	7
(S)tandalone, (H)ost, (R)emote, (D)igital Loop Carrier	R	R	H	R	8
Remote Host PSCW Exchange ID	2850	2850		2850	9
Remote Host Central Office CLLI Code	LNCSWIXADS1	LNCSWIXADS1		LNCSWIXADS1	10
COE Generic Software Release No.	RMT	RMT	20.0	RMT	11
SS7?	Yes	Yes	Yes	Yes	12
9-1-1?	Yes	Yes	Yes	Yes	13
Access Lines - In Use	---CONF---	---CONF---	---CONF---	---CONF---	14
Trunks - In Use	---CONF---	---CONF---	---CONF---	---CONF---	15
ISDN Available?	Yes	Yes	Yes	Yes	16
ISDN Lines - In Use (BRI)	---CONF---	---CONF---	---CONF---	---CONF---	17
- In Use (PRI)	---CONF---	---CONF---	---CONF---	---CONF---	18
DSL Service Available?	Yes	Yes	Yes	Yes	19
- In Use (# lines)	---CONF---	---CONF---	---CONF---	---CONF---	20
End User VoIP Available?	No				21
Digital Service Available: DS-1 - In Use	---CONF---	---CONF---	---CONF---	---CONF---	22
DS-3 - In Use	---CONF---	---CONF---	---CONF---	---CONF---	23
OC-3 - In Use	---CONF---	---CONF---	---CONF---	---CONF---	24
Advanced Data Service Available:					25
Packet Switching?	No	No	No	No	26
Frame Relay?	No	No	No	No	27
ATM (Asynchronous Trans. Mode)?	No	No	Yes	No	28
Fiber Transmission Facilities:					29
No. of fiber strands entering C.O.	---CONF---	---CONF---	---CONF---	---CONF---	30
No. of fiber strands working (LIT) in C.O.	---CONF---	---CONF---	---CONF---	---CONF---	31
No. of fiber strands for interoffice use	---CONF---	---CONF---	---CONF---	---CONF---	32
Miles of fiber sheath in wire center	---CONF---	---CONF---	---CONF---	---CONF---	33
Access Tandem Serving this C.O.:					34
- C.O. Name	PLATTEVILLE	PLATTEVILLE	PLATTEVILLE	PLATTEVILLE	35
- PSCW C.O. CLLI Code	PTVLWIXA61T	PTVLWIXA61T	PTVLWIXA61T	PTVLWIXA61T	36
Does this C.O. do access tandem switching?	No	No	No	No	37
Footnotes					38

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

General Footnote

Schedule Footnotes

Income Statement - Total Company Footnote. Page 8

Some line items may have changed for the FOY amounts when compared with EOY amounts from the 2003 report due to the change in reporting for nonregulated activities.

Balance Sheet - Assets (Class B Use Accounts Designated By *) Footnote. Page 10

Some line items may have changed for the FOY amounts when compared with EOY amounts from the 2003 report due to the change in reporting for nonregulated activities.

Revenues - Class A & B (Class B Use Accounts Designated By *) Footnote. Page 40

Some line items may have changed for the FOY amounts when compared with EOY amounts from the 2003 report due to the change in reporting for nonregulated activities.

Expenses - Class A & B Footnote. Page 41

Some line items may have changed for the FOY amounts when compared with EOY amounts from the 2003 report due to the change in reporting for nonregulated activities.

Other Income Accounts Footnote. Page 44

Some line items may have changed for the FOY amounts when compared with EOY amounts from the 2003 report due to the change in reporting for nonregulated activities.

Schedule Line Footnotes

- A) Amounts listed on pages 22 and 24, in column (g) and pages 26 and 28, column (k) are reclasses between accounts or transfers with affiliates.
- B) The composite depreciation rate for A/C 2690 is 13.76%.
- C) Last year figures changed from what was reported on the 2003 report for accounts 5001 and 5200 due to reclassifying Interconnection revenues. These revenues were reclassified because they are not assessable (and to be consistent with 2004 reporting).
- D) \$105K of this amount is a prepayment to affiliate that is recorded in account 1280.
- E) Federal Income Tax payable to affiliate is recorded in account 4070.
- F) State Income Tax payable to affiliate is recorded in account 4070.
- G) Capital lease with affiliate is recorded in account 4250.
- H) Collection of amounts previously written off and uncollectibles written off during the year are netted on line 3.
- I) Accumulated depreciation is greater than the asset balance because per the WI PSC, the company is allowed to depreciate more than 100% of this account group.
- J) Increase is due to increase in special access circuits.
- K) In 2003 the company recovered some of the 2002 write-offs related to the WorldCom/MCI bankruptcy.
- L) Increase is due to increase in USAC, WI TEACH and Recip Comp.
- M) Software additions at the end of 2003 increased amortization expense in 2004.

GENERAL, SCHEDULE LEVEL AND SCHEDULE LINE FOOTNOTES

N) Increase is due to increased efforts in these areas.

Communities Served with Basic Local Service

County Name (a)	Municipality Name (b)	Municipality Type (c)	
Grant	BEETOWN	Town	1
Grant	BLOOMINGTON	Town	2
Grant	CASSVILLE	Town	3
Grant	CASSVILLE	Village	4
Grant	ELLENBORO	Town	5
Grant	GLEN HAVEN	Town	6
Grant	HARRISON	Town	7
Grant	LANCASTER	City	8
Grant	LIBERTY	Town	9
Grant	LIMA	Town	10
Grant	LITTLE GRANT	Town	11
Grant	NORTH LANCASTER	Town	12
Grant	PARIS	Town	13
Grant	POTOSI	Town	14
Grant	POTOSI	Village	15
Grant	SOUTH LANCASTER	Town	16
Grant	TENNYSON	Village	17
Grant	WATERLOO	Town	18